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March 27, 2009

Re: Docket No. 2008-0274; Proceeding to Investigate Implementing a Decoupling Mechanism for Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., and Maui Electric Company, Limited

To: Service List

The commission received a request for clarification from Hawaiian Electric Company, Inc., Hawaii Electric Light Company, Inc., and Maui Electric Company, Limited regarding PUC-IR-15, sent to the Parties on March 5, 2009. The following was prepared by the commission's consultant, the National Regulatory Research Institute, in response to the request for clarification:

HECO has claimed that its proposed decoupling approach would have the utility reduce its rates and revenues associated with projected sales growth. HECO goes on to claim that this sales growth is what allowed HECO to cope with attrition from inflation and growing rate base between rate cases and thus a reason that it is requesting the RAM. Question 15 asks that HECO calculate the decoupling adjustment (lost revenues) associated with load growth only and compare it to the projected RAM.

Please contact the undersigned if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kaiulani Kidani Shinsato".

Kaiulani Kidani Shinsato
Commission Counsel

KKS:cp

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